

CITY OF FRANKLIN

COMMUNITY DEVELOPMENT AUTHORITY

In July 1992, the City of Franklin adopted Resolution 92-3830 establishing a Community Development Authority (CDA) under Sections 66.4325 and 66.431 of the Wisconsin Statutes. The CDA is to act as agent of the City (i) in planning and carrying out any community development programs and activities approved by the Mayor and Common Council, and (ii) to perform all acts, except the development of the general plan of the City, which may be performed by the City Plan Commission.

The powers of the CDA, under the Community Development Authority Law, include its power to issue revenue bonds to provide financing for qualified redevelopment projects to be constructed by private developers, including by way of illustration but not limitation the following public benefits: the elimination or prevention of substandard, deteriorated, unsanitary, and blighted areas; the provision and retention of gainful employment opportunities for the citizens of the City; increase in the City's tax base; and the stimulation of the flow of investment capital into the City with resultant beneficial effects upon the economy in the City.

PROGRAM DESCRIPTION:

The mission of the Franklin CDA is to provide for the administration of applicable laws within Planned District Development (PDD) #18 including the review and approval of land use and of sites and building plans.

SERVICES:

- Under the "Act" the CDA is authorized to issue debt including lease revenue bonds, to finance projects of the character of the Franklin Business Park (FBP), to accept contributions of property, and to lease and/or sell such property.
- Under a Development Agreement with MLG Development that the CDA has entered into originally in July, 1993 and continuous through a Sixth Amendment dated January, 2006, the CDA also with MLG is doing what it can to increase the values of properties located in TIF District 2 (Franklin Business Park) as soon as possible; and the CDA, along with the City and MLG, cooperate with each other in the marketing of land in the FBP to prospective tenants of the FBP.

BUDGET SUMMARY:

The CDA operates through a Capital Improvement Fund and a Debt Service Fund. The tax levy generated by the increase in assessed value in the Business Park (TIF District) is the main source of revenue for the CDA. Expenditures consistent with the Project Plan may be incurred until 2015 under legislation passed in 2004. Working cooperatively with the City the CDA lease revenue debt due after 2008 is being refinanced with City issued General Obligation Notes with the CDA making the debt service payments and realizing a debt service saving to the CDA of \$420,000. Both internal and external projections indicate that there will be enough revenue collected to retire all CDA debt by 2011.

During 2005 the City established TIF Districts #3 & #4 and asked the CDA to oversee the activities of these two TIF Districts including the GO notes issued for these new TIF"s.

City of Franklin
Community Development Authority
Outstanding Debt Maturities

Date Borrowed Amount	Purpose of borrowing Interest rate	Payment Dates	Balance 12/31/2005	2006	2007	2008	2009	2010	2011	2012
7/1/1998 \$5,275,000	Capital improvements Series 1998-A Principal Interest 6 7% to 6 95%	4/1 4/1, 10/1	\$ 3,375,000	1,055,000 196,550	1,120,000 122,040	1,200,000 41,700				
7/1/1998 \$18,145,000	Capital improvements Series 1198-B Principal Interest 4 55% to 5 2%	4/1 4/1, 10/1	14,340,000	11,465,000 418,464	1,700,000 95,763	1,175,000 27,906				
TIF #2 Interfund Advance by City of Franklin										
1/1/2006 \$10,000,000	Refinancing Debt Principal Interest 3 5% to 4 0%	4/1 4/1, 10/1		- 259,000	- 388,500	- 388,500	2,300,000 348,250	3,000,000 248,000	4,700,000 94,000	
	Total Principal			12,520,000	2,820,000	2,375,000	2,300,000	3,000,000	4,700,000	-
	Total Interest			874,014	606,303	458,106	348,250	248,000	94,000	-
4/1/2006 Population 32,548	Less refinanced Principal Annual Debt Payment	Per Capita 111		(9,770,000) \$ 3,624,014	- \$ 3,426,303	- \$ 2,833,106	- \$ 2,648,250	- \$ 3,248,000	- \$ 4,794,000	- \$
1/1/2006	New Debt issued			10,000,000						
	TIF No. 2 Debt Total	544	\$ 17,715,000	\$ 15,195,000	\$ 12,375,000	\$ 10,000,000	\$ 7,700,000	\$ 4,700,000	\$ -	\$ -
TIF #3 Interfund Advance by City of Franklin										
8/15/2005 \$4,000,000	Capital improvements Principal Interest 3 5% to 4 0%	4/1 4/1, 10/1	\$ 4,000,000	- 179,643	- 182,108	250,000 172,623	275,000 160,293	300,000 146,825	350,000 131,270	400,000 113,438
Population 32,548	Annual Debt Payment	Per Capita 6		\$ 179,643	\$ 182,108	\$ 422,623	\$ 435,293	\$ 446,825	\$ 481,270	\$ 513,438
	TIF No. 3 Debt Total	123	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 3,750,000	\$ 3,475,000	\$ 3,175,000	\$ 2,825,000	\$ 2,425,000
TIF #4 Interfund Advance by City of Franklin										
8/15/2005 \$3,000,000	Capital improvements Principal Interest 3 5% to 4 0%	4/1 4/1, 10/1	\$ 3,000,000	- 129,485	- 134,731	- 136,581	275,000 126,148	300,000 112,679	350,000 97,124	400,000 79,293
Population 32,548	Annual Debt Payment	Per Capita 4		\$ 129,485	\$ 134,731	\$ 136,581	\$ 401,148	\$ 412,679	\$ 447,124	\$ 479,293
	TIF No. 4 Debt Total	92	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 2,725,000	\$ 2,425,000	\$ 2,075,000	\$ 1,675,000